

Daily Stock Market Review – 4 December 2017

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MSE Equity Price Index drops to over 2-year low

The **MSE Equity Price Index** tumbled by 0.94% to 4,382.024 points today – the lowest level since November 2015 – largely driven by the notable declines in the share prices of BOV (-2.7%) and HSBC (-3.2%) which outweighed the gains in RS2 (+1.3%) and MIDI (+1.4%).

Bank of Valletta plc shed 2.7% to the €1.751 level across 95,836 shares. Last Friday, BOV announced that it has been informed that the nil-paid rights issued to UniCredit S.p.A. as part of the €150 million rights issue have been duly assigned. Eligible shareholders have until this Wednesday 6 December 2017 to participate in the 1-for-4 rights issue at a price of €1.43 per share.

Within the same sector, **HSBC Bank Malta plc** retreated by 3.2% to a fresh 2017 low of €1.801 albeit on two deals of just 2,312 shares.

Low trading activity also took place in the equities of **Malta International Airport plc** and **Medserv plc**. MIA eased by 0.2% to the €4.64 level and Medserv moved back by 0.1% to €1.12.

Three deals totalling 910 shares pulled the equity of **Simonds Farsons Cisk plc** 0.1% lower to the €8.75 level.

Meanwhile, **RS2 Software plc** rebounded by 1.3% to the €1.539 level on four deals totalling 5,000 shares.

In the property segment, **MIDI plc** advanced by a further 1.4% to a near eleven-month high of €0.35 on a single deal of just 4,500 shares.

In contrast, **Malta Properties Company plc** (23,700 shares) and **Plaza Centres plc** (36,642 shares) closed the day flat at €0.468 and €1.02 respectively.

GO plc held on to the €3.55 level after opening at a low of €3.50. A total of 1,440 shares traded.

PG plc maintained the €1.45 level on trivial volumes. The company's Board of Directors is scheduled to meet today to consider the declaration of an interim dividend to all shareholders as at close of trading on Wednesday 29 November 2017. The interim dividend will be paid on Monday 11 December 2017. The Board of Directors is also scheduled to meet on Wednesday 20 December 2017 to approve the interim financial statements for the six-month period ended 31 October 2017.

The **RF MGS Index** extended last Friday's gains of 0.31% by a further 0.09% to an over-three-week high of 1,130.283 points. The indicative opening bid prices of the Central Bank of Malta for the two longer-dated Malta Government Stocks issued last February – i.e. 1.50% MGS 2027 I (issued at 100.5%) and the 2.20% MGS 2035 I (issued at 100.25%) – reached new record highs of 103.9% and 105.69% respectively. Euro zone sovereign yields slipped today (bond prices gained) despite positive developments in the US where on Saturday the Senate approved the introduction of expansionary tax reforms. On the economic front, an index gauging the level of confidence among investors and analysts

across the single currency area dropped by much more than expected. Further data showing the monthly change in producer prices for the month of October also disappointed.

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Stock markets are volatile and subject to fluctuations which cannot be reasonably foreseen. Past performance is not necessarily indicative of future results.